



# HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2017  
OF THE CONDITION AND AFFAIRS OF THE

## Physicians Health Plan

NAIC Group Code 3408 3408 NAIC Company Code 95849 Employer's ID Number 38-2356288  
(Current) (Prior)

Organized under the Laws of Michigan, State of Domicile or Port of Entry MI

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [ ] No [ X ]

Incorporated/Organized 12/18/1980 Commenced Business 10/01/1981

Statutory Home Office 1400 East Michigan Avenue, Lansing, MI, US 48912  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1400 East Michigan Avenue  
(Street and Number)  
Lansing, MI, US 48912, 517-364-8400  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1400 East Michigan Avenue, Lansing, MI, US 48912  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1400 East Michigan Avenue  
(Street and Number)  
Lansing, MI, US 48912, 517-364-8400  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.phpmichigan.com

Statutory Statement Contact Erin Flood, 517-364-8400  
(Name) (Area Code) (Telephone Number)  
erin.flood@phpmm.org, 517-364-8407  
(E-mail Address) (FAX Number)

### OFFICERS

President Dennis J. Reese Chief Financial Officer and George Schneider  
Secretary and Treasurer Thomas Hofman PhD Chief Operations Officer Chairperson

### OTHER

#### DIRECTORS OR TRUSTEES

<u>Diana Rodriguez Algra</u>	<u>James Butler III</u>	<u>April Clobes</u>
<u>Merritta Proctor</u>	<u>Timothy Hodge DO</u>	<u>Thomas Hofman PhD</u>
<u>Shalimar Maynard</u>	<u>David Kaufman DO</u>	<u>James Tischler</u>
<u>Brittany Bogan</u>	<u>Deborah Muchmore</u>	<u>Dennis Swan</u>
<u>Paula Reichle</u>	<u>Dennis J. Reese</u>	

State of Michigan SS:  
County of Ingham

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Dennis J. Reese Thomas Hofman, PhD George Schneider  
President Secretary and Treasurer Chief Financial Officer and Chief Operations Officer

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_  
a. Is this an original filing? ..... Yes [ X ] No [ ]  
b. If no,  
1. State the amendment number.....  
2. Date filed .....  
3. Number of pages attached.....





**EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED**

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5 Health Care Receivables in Prior Years (Columns 1 + 3)	6 Estimated Health Care Receivables Accrued as of December 31 of Prior Year
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year		
1. Pharmaceutical rebate receivables .....	2,639,814	1,879,384	0	3,413,500	2,639,814	2,982,000
2. Claim overpayment receivables .....	181,073	2,034,224	131,591	211,114	312,664	252,055
3. Loans and advances to providers .....	0	0	0	0	0	0
4. Capitation arrangement receivables .....	0	0	0	0	0	0
5. Risk sharing receivables .....	0	0	0	0	0	0
6. Other health care receivables.....	59,188	0	0	0	59,188	59,188
7. Totals (Lines 1 through 6)	2,880,075	3,913,609	131,591	3,624,614	3,011,665	3,293,243

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

**EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

**Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)	0	0	0	0	0	0
0199999. Individually listed claims unpaid	0	0	0	0	0	0
0299999. Aggregate accounts not individually listed- uncovered	0	0	0	0	0	0
0399999. Aggregate accounts not individually listed-covered	1,100,334	39,944	18,713	0	0	1,158,991
0499999. Subtotals	1,100,334	39,944	18,713	0	0	1,158,991
0599999. Unreported claims and other claim reserves						14,166,482
0699999. Total amounts withheld						0
0799999. Total claims unpaid						15,325,473
0899999 Accrued medical incentive pool and bonus amounts						1,222,750





**EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS**

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payments	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
<b>Capitation Payments:</b>						
1. Medical groups .....	0	0.0	0	0.0	0	0
2. Intermediaries .....	0	0.0	0	0.0	0	0
3. All other providers .....	0	0.0	0	0.0	0	0
4. Total capitation payments .....	0	0.0	0	0.0	0	0
<b>Other Payments:</b>						
5. Fee-for-service .....	51,306,717	31.6	XXX	XXX	0	51,306,717
6. Contractual fee payments .....	110,786,499	68.1	XXX	XXX	110,786,499	0
7. Bonus/withhold arrangements - fee-for-service .....	0	0.0	XXX	XXX	0	0
8. Bonus/withhold arrangements - contractual fee payments .....	525,188	0.3	XXX	XXX	525,188	0
9. Non-contingent salaries .....	0	0.0	XXX	XXX	0	0
10. Aggregate cost arrangements .....	0	0.0	XXX	XXX	0	0
11. All other payments .....	0	0.0	XXX	XXX	0	0
12. Total other payments .....	162,618,404	100.0	XXX	XXX	111,311,687	51,306,717
13. TOTAL (Line 4 plus Line 12)	162,618,404	100%	XXX	XXX	111,311,687	51,306,717

**EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES**

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
<b>NONE</b>					
9999999 Totals			XXX	XXX	XXX

**EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED**

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets
1. Administrative furniture and equipment .....	1,046,581	0	75,956	970,625	970,625	0
2. Medical furniture, equipment and fixtures .....	0	0	0	0	0	0
3. Pharmaceuticals and surgical supplies .....	0	0	0	0	0	0
4. Durable medical equipment .....	0	0	0	0	0	0
5. Other property and equipment	0	0	0	0	0	0
6. Total	1,046,581	0	75,956	970,625	970,625	0



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION

Physicians Health Plan

2. Lansing, MI

NAIC Group Code	3408	BUSINESS IN THE STATE OF		DURING THE YEAR							(LOCATION)	
		Michigan		2017							NAIC Company Code	
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
	Total	2	3	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other		
<b>Total Members at end of:</b>												
1. Prior Year .....	36,158	3,026	33,132	0	0	0	0	0	0	0		
2. First Quarter .....	39,366	6,955	32,411	0	0	0	0	0	0	0		
3. Second Quarter .....	36,966	6,664	30,302	0	0	0	0	0	0	0		
4. Third Quarter .....	36,791	6,221	30,570	0	0	0	0	0	0	0		
5. Current Year .....	34,779	5,663	29,116	0	0	0	0	0	0	0		
6. Current Year Member Months	444,858	77,121	367,737	0	0	0	0	0	0	0		
<b>Total Member Ambulatory Encounters for Year:</b>												
7. Physician .....	247,065	34,029	213,036	0	0	0	0	0	0	0		
8. Non-Physician .....	125,175	13,908	111,267	0	0	0	0	0	0	0		
9. Total .....	372,240	47,937	324,303	0	0	0	0	0	0	0		
10. Hospital Patient Days Incurred	9,458	1,724	7,734	0	0	0	0	0	0	0		
11. Number of Inpatient Admissions	2,461	413	2,048	0	0	0	0	0	0	0		
12. Health Premiums Written (b) .....	183,734,848	17,008,672	166,726,176	0	0	0	0	0	0	0		
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0		
14. Property/Casualty Premiums Written .....	0	0	0	0	0	0	0	0	0	0		
15. Health Premiums Earned .....	183,734,848	17,008,672	166,726,176	0	0	0	0	0	0	0		
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0		
17. Amount Paid for Provision of Health Care Services .....	162,618,404	17,725,406	144,892,998	0	0	0	0	0	0	0		
18. Amount Incurred for Provision of Health Care Services	157,725,471	17,192,076	140,533,395	0	0	0	0	0	0	0		

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ .....0

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**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION

Physicians Health Plan

2. Lansing, MI

NAIC Group Code	3408	BUSINESS IN THE STATE OF	(LOCATION)										
			Grand Total			DURING THE YEAR				2017	NAIC Company Code		95849
			1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
Total	2	3	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other				
<b>Total Members at end of:</b>													
1. Prior Year	36,158	3,026	33,132	0	0	0	0	0	0	0			
2. First Quarter	39,366	6,955	32,411	0	0	0	0	0	0	0			
3. Second Quarter	36,966	6,664	30,302	0	0	0	0	0	0	0			
4. Third Quarter	36,791	6,221	30,570	0	0	0	0	0	0	0			
5. Current Year	34,779	5,663	29,116	0	0	0	0	0	0	0			
6. Current Year Member Months	444,858	77,121	367,737	0	0	0	0	0	0	0			
<b>Total Member Ambulatory Encounters for Year:</b>													
7. Physician	247,065	34,029	213,036	0	0	0	0	0	0	0			
8. Non-Physician	125,175	13,908	111,267	0	0	0	0	0	0	0			
9. Total	372,240	47,937	324,303	0	0	0	0	0	0	0			
10. Hospital Patient Days Incurred	9,458	1,724	7,734	0	0	0	0	0	0	0			
11. Number of Inpatient Admissions	2,461	413	2,048	0	0	0	0	0	0	0			
12. Health Premiums Written (b)	183,734,848	17,008,672	166,726,176	0	0	0	0	0	0	0			
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0			
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0			
15. Health Premiums Earned	183,734,848	17,008,672	166,726,176	0	0	0	0	0	0	0			
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0			
17. Amount Paid for Provision of Health Care Services	162,618,404	17,725,406	144,892,998	0	0	0	0	0	0	0			
18. Amount Incurred for Provision of Health Care Services	157,725,471	17,192,076	140,533,395	0	0	0	0	0	0	0			

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ .....0

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ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**SCHEDULE S - PART 1 - SECTION 2**

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Premiums	8 Unearned Premiums	9 Reserve Liability Other Than for Unearned Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance
<b>NONE</b>											
9999999 - Totals											



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**SCHEDULE S - PART 3 - SECTION 2**

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domi- ciliary Juris- diction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
0399999			Total General Account - Authorized U.S. Affiliates				0	0	0	0	0	0	0
0699999			Total General Account - Authorized Non-U.S. Affiliates				0	0	0	0	0	0	0
0799999			Total General Account - Authorized Affiliates				0	0	0	0	0	0	0
10227	13-4924125	01/01/2017	Munich Reinsurance America, Inc.	DE	ASL/A/I	CMM	1,294,624	0	0	0	0	0	0
0899999			General Account - Authorized U.S. Non-Affiliates				1,294,624	0	0	0	0	0	0
1099999			Total General Account - Authorized Non-Affiliates				1,294,624	0	0	0	0	0	0
1199999			Total General Account Authorized				1,294,624	0	0	0	0	0	0
1499999			Total General Account - Unauthorized U.S. Affiliates				0	0	0	0	0	0	0
1799999			Total General Account - Unauthorized Non-U.S. Affiliates				0	0	0	0	0	0	0
1899999			Total General Account - Unauthorized Affiliates				0	0	0	0	0	0	0
2199999			Total General Account - Unauthorized Non-Affiliates				0	0	0	0	0	0	0
2299999			Total General Account Unauthorized				0	0	0	0	0	0	0
2599999			Total General Account - Certified U.S. Affiliates				0	0	0	0	0	0	0
2899999			Total General Account - Certified Non-U.S. Affiliates				0	0	0	0	0	0	0
2999999			Total General Account - Certified Affiliates				0	0	0	0	0	0	0
3299999			Total General Account - Certified Non-Affiliates				0	0	0	0	0	0	0
3399999			Total General Account Certified				0	0	0	0	0	0	0
3499999			Total General Account Authorized, Unauthorized and Certified				1,294,624	0	0	0	0	0	0
3799999			Total Separate Accounts - Authorized U.S. Affiliates				0	0	0	0	0	0	0
4099999			Total Separate Accounts - Authorized Non-U.S. Affiliates				0	0	0	0	0	0	0
4199999			Total Separate Accounts - Authorized Affiliates				0	0	0	0	0	0	0
4499999			Total Separate Accounts - Authorized Non-Affiliates				0	0	0	0	0	0	0
4599999			Total Separate Accounts Authorized				0	0	0	0	0	0	0
4899999			Total Separate Accounts - Unauthorized U.S. Affiliates				0	0	0	0	0	0	0
5199999			Total Separate Accounts - Unauthorized Non-U.S. Affiliates				0	0	0	0	0	0	0
5299999			Total Separate Accounts - Unauthorized Affiliates				0	0	0	0	0	0	0
5599999			Total Separate Accounts - Unauthorized Non-Affiliates				0	0	0	0	0	0	0
5699999			Total Separate Accounts Unauthorized				0	0	0	0	0	0	0
5999999			Total Separate Accounts - Certified U.S. Affiliates				0	0	0	0	0	0	0
6299999			Total Separate Accounts - Certified Non-U.S. Affiliates				0	0	0	0	0	0	0
6399999			Total Separate Accounts - Certified Affiliates				0	0	0	0	0	0	0
6699999			Total Separate Accounts - Certified Non-Affiliates				0	0	0	0	0	0	0
6799999			Total Separate Accounts Certified				0	0	0	0	0	0	0
6899999			Total Separate Accounts Authorized, Unauthorized and Certified				0	0	0	0	0	0	0
6999999			Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)				1,294,624	0	0	0	0	0	0
7099999			Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)				0	0	0	0	0	0	0
9999999			Totals				1,294,624	0	0	0	0	0	0

Schedule S - Part 4

**NONE**

Schedule S - Part 4 - Bank Footnote

**NONE**

Schedule S - Part 5

**NONE**

Schedule S - Part 5 - Bank Footnote

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**SCHEDULE S - PART 6**

Five Year Exhibit of Reinsurance Ceded Business (\$000 Omitted)

	1 2017	2 2016	3 2015	4 2014	5 2013
<b>A. OPERATIONS ITEMS</b>					
1. Premiums .....	1,295	1,674	1,922	1,741	1,506
2. Title XVIII - Medicare .....	0	0	0	0	0
3. Title XIX - Medicaid .....	0	0	253	0	0
4. Commissions and reinsurance expense allowance .....	0	0	0	0	0
5. Total hospital and medical expenses .....	0	0	0	0	0
<b>B. BALANCE SHEET ITEMS</b>					
6. Premiums receivable .....	0	0	0	0	0
7. Claims payable .....	0	294	354	14	42
8. Reinsurance recoverable on paid losses .....	0	932	466	124	119
9. Experience rating refunds due or unpaid .....	0	0	0	0	0
10. Commissions and reinsurance expense allowances due .....	0	0	0	0	0
11. Unauthorized reinsurance offset .....	0	0	0	0	0
12. Offset for reinsurance with Certified Reinsurers .....	0	0	0	0	0
<b>C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
13. Funds deposited by and withheld from (F) .....	0	0	0	0	0
14. Letters of credit (L) .....	0	0	0	0	0
15. Trust agreements (T) .....	0	0	0	0	0
16. Other (O) .....	0	0	0	0	0
<b>D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
17. Multiple Beneficiary Trust .....	0	0	0	0	0
18. Funds deposited by and withheld from (F) .....	0	0	0	0	0
19. Letters of credit (L) .....	0	0	0	0	0
20. Trust agreements (T) .....	0	0	0	0	0
21. Other (O) .....	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**SCHEDULE S - PART 7**

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12) .....	79,719,902	0	79,719,902
2. Accident and health premiums due and unpaid (Line 15) .....	1,328,670	0	1,328,670
3. Amounts recoverable from reinsurers (Line 16.1) .....	0	0	0
4. Net credit for ceded reinsurance .....	XXX	0	0
5. All other admitted assets (Balance) .....	2,426,100	0	2,426,100
6. Total assets (Line 28)	83,474,672	0	83,474,672
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
7. Claims unpaid (Line 1) .....	15,325,473	0	15,325,473
8. Accrued medical incentive pool and bonus payments (Line 2) .....	1,222,750	0	1,222,750
9. Premiums received in advance (Line 8) .....	3,240,998	0	3,240,998
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19 first inset amount plus second inset amount) .....	0	0	0
11. Reinsurance in unauthorized companies (Line 20 minus inset amount) .....	0	0	0
12. Reinsurance with Certified Reinsurers (Line 20 inset amount) .....	0	0	0
13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount) .....	0	0	0
14. All other liabilities (Balance) .....	13,344,806	0	13,344,806
15. Total liabilities (Line 24) .....	33,134,027	0	33,134,027
16. Total capital and surplus (Line 33) .....	50,340,644	XXX	50,340,644
17. Total liabilities, capital and surplus (Line 34)	83,474,671	0	83,474,671
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
18. Claims unpaid .....	0		
19. Accrued medical incentive pool .....	0		
20. Premiums received in advance .....	0		
21. Reinsurance recoverable on paid losses .....	0		
22. Other ceded reinsurance recoverables .....	0		
23. Total ceded reinsurance recoverables .....	0		
24. Premiums receivable .....	0		
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers .....	0		
26. Unauthorized reinsurance .....	0		
27. Reinsurance with Certified Reinsurers .....	0		
28. Funds held under reinsurance treaties with Certified Reinsurers .....	0		
29. Other ceded reinsurance payables/offsets .....	0		
30. Total ceded reinsurance payables/offsets .....	0		
31. Total net credit for ceded reinsurance	0		

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**SCHEDULE T - PART 2**  
**INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.	Direct Business Only					Totals
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR					
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA					
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA					
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM					
33. New York	NY					
34. North Carolina	NC					
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR					
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA					
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. U.S. Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CAN					
58. Aggregate Other Alien	OT					
59. Total						

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
			38-1490180	0	0		SPARROW CARSON HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-3218134	0	0		SPARROW IONIA HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			46-4526659	0	0		SPARROW CARE NETWORK, LLC	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-6100687	0	0		SPARROW FOUNDATION	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-2594856	0	0		PHYSICIANS HEALTH NETWORK	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-2543305	0	0		SPARROW COMMUNITY CARE	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			14-1885340	0	0		SPARROW SPECIALTY HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-1358172	0	0		SPARROW CLINTON HOSPITAL	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-1360584	0	0		EW SPARROW HOSPITAL ASSOCIATION	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-2595963	0	0		SPARROW DEVELOPMENT, INC	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-3075242	0	0		SPARROW CLINICAL RESEARCH INSTITUTE	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
			38-2886420	0	0		EAST LANSING ATHLETIC CLUB	MI	NIA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
3408	PHYSICIANS HEALTH PLAN	.95849	38-2356288	0	0		PHYSICIANS HEALTH PLAN	MI	IA	SPARROW HEALTH SYSTEM	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
3408	PHYSICIANS HEALTH PLAN	12816	20-5565219	0	0		PHP INSURANCE COMPANY	MI	IA	PHYSICIANS HEALTH PLAN	Ownership	100.000	SPARROW HEALTH SYSTEM	N	
	PHYSICIANS HEALTH PLAN		38-3344741	0	0		PHP SERVICE COMPANY	MI	NIA	PHYSICIANS HEALTH PLAN	Ownership	100.000	SPARROW HEALTH SYSTEM	Y	

Asterisk	Explanation

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan

**SCHEDULE Y**

**PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES**

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
	38-2594856	Physicians Health Network	0	0	0	0	157,489,577	0		0	157,489,577	0
95849	38-2356288	Physicians Health Plan	(20,000,000)	0	0	0	(163,877,992)	0		0	(183,877,992)	0
	38-3344741	PHP Service Company	0	0	0	0	(947,469)	0		0	(947,469)	0
12816	20-5565219	PHP Insurance Company	0	0	0	0	(2,876,777)	0		0	(2,876,777)	0
	38-1360584	Sparrow Health System	20,000,000	0	0	0	10,212,660	0		0	30,212,660	0
9999999 Control Totals			0	0	0	0	(1)	0	XXX	0	(1)	0

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Responses
<b>MARCH FILING</b>	
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? .....	YES
2. Will an actuarial opinion be filed by March 1? .....	YES
3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?.....	YES
4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?.....	YES
<b>APRIL FILING</b>	
5. Will Management's Discussion and Analysis be filed by April 1? .....	YES
6. Will the Supplemental Investment Risks Interrogatories be filed by April 1? .....	YES
7. Will the Accident and Health Policy Experience Exhibit be filed by April 1? .....	YES
<b>JUNE FILING</b>	
8. Will an audited financial report be filed by June 1? .....	YES
9. Will Accountant's Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? .....	YES
<b>AUGUST FILING</b>	
10. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? .....	YES

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

<b>MARCH FILING</b>	
11. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? .....	YES
12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC? .....	NO
13. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?.....	YES
14. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?.....	NO
15. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?.....	NO
16. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?.....	YES
17. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? .....	NO
18. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? .....	NO
19. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?.....	NO
<b>APRIL FILING</b>	
20. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? .....	NO
21. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC? .....	NO
22. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? .....	YES
23. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1? .....	YES
<b>AUGUST FILING</b>	
24. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? .....	YES
Explanations:	
12. Not Applicable	
14. Not Applicable	
15. Not Applicable	
17. Not Applicable	
18. Not Applicable	
19. Not Applicable	
20. Not Applicable	
21. Not Applicable	

Bar Codes:

12. Life Supplement [Document Identifier 205]	
14. Participating Opinion for Exhibit 5 [Document Identifier 371]	
15. Non-Guaranteed Opinion for Exhibit 5 [Document Identifier 370]	
17. Relief from the five-year rotation requirement for lead audit partner [Document Identifier 224]	
18. Relief from the one-year cooling off period for independent CPA [Document Identifier 225]	
19. Relief from the Requirements for Audit Committees [Document Identifier 226]	
20. Long-Term Care Experience Reporting Forms [Document Identifier 306]	
21. Life Supplement [Document Identifier 211]	





SUPPLEMENT FOR THE YEAR 2017 OF THE Physicians Health Plan  
**MEDICARE PART D COVERAGE SUPPLEMENT**  
 (Net of Reinsurance)

NAIC Group Code 3408

(To Be Filed by March 1)

NAIC Company Code 95849

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected					
1.1 Standard Coverage					
1.11 With Reinsurance Coverage .....	0	XXX	0	XXX	0
1.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	0
1.13 Risk-Corridor Payment Adjustments .....	0	XXX	0	XXX	0
1.2 Supplemental Benefits .....	0	XXX	0	XXX	0
2. Premiums Due and Uncollected-change					
2.1 Standard Coverage					
2.11 With Reinsurance Coverage .....	0	XXX	0	XXX	XXX
2.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	XXX
2.2 Supplemental Benefits .....	0	XXX	0	XXX	XXX
3. Unearned Premium and Advance Premium-change					
3.1 Standard Coverage					
3.11 With Reinsurance Coverage .....	0	XXX	0	XXX	XXX
3.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	XXX
3.2 Supplemental Benefits .....	0	XXX	0	XXX	XXX
4. Risk-Corridor Payment Adjustments-change					
4.1 Receivable .....	0	XXX	0	XXX	XXX
4.2 Payable .....	0	XXX	0	XXX	XXX
5. Earned Premiums					
5.1 Standard Coverage					
5.11 With Reinsurance Coverage .....	0	XXX	0	XXX	XXX
5.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	XXX
5.13 Risk-Corridor Payment Adjustments .....	0	XXX	0	XXX	XXX
5.2 Supplemental Benefits .....	0	XXX	0	XXX	XXX
6. Total Premiums .....	0	XXX	0	XXX	0
7. Claims Paid					
7.1 Standard Coverage					
7.11 With Reinsurance Coverage .....	0	XXX	0	XXX	0
7.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	0
7.2 Supplemental Benefits .....	0	XXX	0	XXX	0
8. Claim Reserves and Liabilities-change					
8.1 Standard Coverage					
8.11 With Reinsurance Coverage .....	0	XXX	0	XXX	XXX
8.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	XXX
8.2 Supplemental Benefits .....	0	XXX	0	XXX	XXX
9. Health Care Receivables-change					
9.1 Standard Coverage					
9.11 With Reinsurance Coverage .....	0	XXX	0	XXX	XXX
9.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	XXX
9.2 Supplemental Benefits .....	0	XXX	0	XXX	XXX
10. Claims Incurred					
10.1 Standard Coverage					
10.11 With Reinsurance Coverage .....	0	XXX	0	XXX	XXX
10.12 Without Reinsurance Coverage .....	0	XXX	0	XXX	XXX
10.2 Supplemental Benefits .....	0	XXX	0	XXX	XXX
11. Total Claims .....	0	XXX	0	XXX	0
12. Reinsurance Coverage and Low Income Cost Sharing					
12.1 Claims Paid - Net of Reimbursements Applied .....	XXX	0	XXX	0	0
12.2 Reimbursements Received but Not Applied-change .....	XXX	0	XXX	0	0
12.3 Reimbursements Receivable-change .....	XXX	0	XXX	0	XXX
12.4 Health Care Receivables-change .....	XXX	0	XXX	0	XXX
13. Aggregate Policy Reserves-change	0	0	0	0	XXX
14. Expenses Paid .....	0	XXX	0	XXX	0
15. Expenses Incurred .....	0	XXX	0	XXX	XXX
16. Underwriting Gain/Loss .....	0	XXX	0	XXX	XXX
17. Cash Flow Results	XXX	XXX	XXX	XXX	0

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